Des Moines airport closes a terminal, parking lots amid sharp drop in passenger traffic

Kim Norvell, Des Moines Register Published 12:24 p.m. CT April 14, 2020 | Updated 9:42 a.m. CT April 15, 2020

Facing a 95% reduction in passenger traffic, Des Moines International Airport officials have closed a terminal, shut down services and delayed projects — including a planned <u>Allegiant Air crew base (/story/money/business/development/2019/11/08/allegiant-air-establish-new-base-des-moines/4167018002/)</u> — to save money during the coronavirus pandemic.

The unprecedented decrease in travelers while lowans are practicing social distancing follows three years of <u>record-breaking traffic</u> (/story/money/business/development/2020/01/06/des-moines-international-airport-adds-gates-new-terminal-plan/2825839001/) at the state's largest airport. Officials say Des Moines International is in a good place financially with \$88 million cash on hand, but the future of the airport industry once the pandemic subsides is unclear.

"No one knows for sure what this industry is going to look like once we get past this," Kevin Foley, the airport's executive director, said at a virtual board meeting Tuesday.

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Foot traffic is sparse on April 14, 2020 at the Des Moines International Airport. The airport has closed a terminal, shut down services and delayed projects, including an Allegiant base, to save money during the spread of COVID-19. (Photo: Olivia Sun/The Register)

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He and global airport officials expect the industry to enter a recession post-pandemic as they face a \$252 billion passenger revenue loss and 2 million flight cancellations in 2020, according to the International Air Transport Association (https://www.iata.org/). Experts agree that international flights will be the slowest to start back up and passengers may still be hesitant to travel domestically for quite some time, Foley told the board.

"(The airlines) are probably the companies that are taking the worst hit because of this virus," he said.

Des Moines International's <u>drop in passenger traffic (/story/news/local/2020/04/10/coronavirus-putting-brakes-easter-holiday-weekend-travel/5133319002/)</u> began March 12, the same day the growing coronavirus pandemic prompted the closure of Walt Disney World and the cancellation of trips by Princess Cruises. It saw a 44% year-over-year decrease in March.

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So far, April has seen a 33.4% year-over-year decrease, equaling more than 55,000 empty seats, said Clinton Torp, director of operations.

About 210 passengers and crew are traveling through the airport each day — down from highs of more than 8,000 a day in a normal year.

"We're still seeing things change on a day-to-day level," Torp said. "It's very dynamic."

In response, airport management is going to be "watching expenses as much as possible," said Brian Mulcahy, director of finance.

The airport has closed Terminal A, instead directing all flights in and out of Terminal C.

All restaurants, with the exception of Friedrichs Coffee, are closed. So has the Hudson News convenience store near the ticketing counter, pre-security.

Some major projects at the airport also have been delayed. Allegiant Air has announced a two-month delay in its plans to bring a \$50 million crew base (/story/money/business/development/2019/11/08/allegiant-air-establish-new-base-des-moines/4167018002/) to Des Moines, which would add 66 employees — including pilots, flight attendants and fleet mechanics.

"It's a dynamic situation, so that could get extended" from its new July opening, Foley said.

The budget carrier also has delayed its <u>planned launch of flights (/story/money/business/development/2020/01/14/des-moines-airport-flights-chicago-memphis-austin/4453853002/)</u> from Des Moines to Chicago and Memphis to early 2021.

On Tuesday, the board voted to reject bids for two planned capital improvement projects, including \$1.3 million for upgrades to a glycol tank and \$274,000 to replace doors at the rental car maintenance facility's car wash.

Because of the industry's sharp decline, the federal government allocated stimulus money through the March 27 CARES Act both to struggling airlines and the airports that they serve.

Des Moines International Airport passenger counts in March 2019 and March 2020

March 2019 March 2020

SOURCE: Des Moines International Airport

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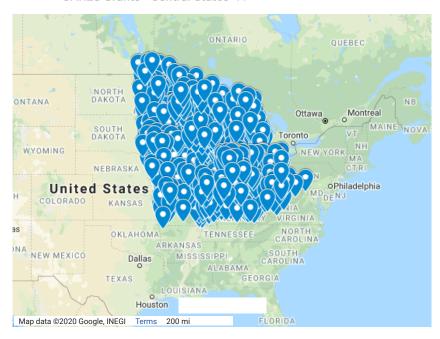
Airlines that request and receive a portion of the \$58 billion in the stimulus package <u>must maintain flights (/story/travel/airline-news/2020/03/31/coronavirus-stimulus-package-us-airlines-must-continue-flying/5093641002/)</u> to all U.S. destinations served before March 1 unless they are granted an exemption. None of the six airlines that service Des Moines has filed for emergency exemptions to stop service locally, Foley said.

On Tuesday, the Federal Aviation Administration announced it will give \$70.5 million in aid to 79 airports in Iowa to help respond to the COVID-19 public health emergency.

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1 to a map of CARES funding by airport

CARES Grants - Central States 🛠



"It is more than we were expecting and will replace lost revenue resulting from the sharp decline in passengers due to COVID-19 pandemic," Foley said. He originally estimated the airport would get \$8 million to \$10 million in relief.

The CARES Act provided \$10 billion for airports nationwide.

Airports that receive stimulus money are required to keep 90% of their employees on the payroll through Dec. 31. Des Moines International Airport employees are working a rotating one-week-on, one-week-off schedule to reduce the workforce impact if a positive coronavirus case is discovered at the airport.

No cases had been reported as of Tuesday. Officials are taking <u>extra measures to clean and sanitize the building (/story/news/2020/03/04/des-moines-airport-its-business-usual-during-coronavirus-outbreak/4951431002/)</u>, however.

They are increasing use of disinfectant on what they call "high-touch" areas, like handrails, escalators, elevator buttons and restroom doors; providing additional hand sanitizer throughout the airport; and posting educational signs about personal hygiene in the restrooms.

Editor's note: A previous version of this story incorrectly spelled the name of the airport's director of operations.

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